

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:668
ANSWERED ON:26.02.2016
Deposits in Banks
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Will the Minister of FINANCE be pleased to state:

- (a) the nature of deposits made by the people in public, private and cooperative banks in the country;
- (b) the details of the factors responsible for lower deposits in Cooperative Banks; and
- (c) the remedial measures taken/being taken by the Government to increase bank deposits?

Answer

The Minister of State in the Ministry of Finance

(a): The deposits are made by people in savings bank accounts, current accounts, time/term deposits, NRI deposits and certificates of deposits of public and private banks.

(b): Reserve Bank of India (RBI) has informed that total deposits in Urban Cooperative Banks have increased during 2013-14 to 2014-15. National Bank for Agriculture and Rural Development (NABARD) has informed that Total deposits in District Central Cooperative Banks have also increased, but it has declined marginally in State Cooperative Banks due to decrease in Term Deposits. Details are as under:

Rs. In crores

S. No. Cooperative Banks Year Total Deposit

1 Urban Cooperative Banks 2013-14 315502.76
2014-15 355133.72

2 District Central Cooperative Banks 2014 236887.10
2015 252441.43

3 State Cooperative Banks 2014 104368.61
2015 102858.81

(c) : RBI has informed that there is growth in deposits in the banks though it is at a slower rate. Further, the remedial measures taken / being taken by the Government to increase bank deposits in Rural Cooperative Banks are as under:

- 1) Implementation of Revival Package for unlicensed Cooperative banks in four states, viz., Uttar Pradesh, Maharashtra, Jammu & Kashmir and West Bengal;
- 2) Bringing all the Rural Cooperative Banks into the mainstream of Core Banking Solutions (CBS);
- 3) In some States, (viz Karnataka), specific orders to keep deposits with the Rural Cooperative Banks have been issued to Government Departments;
- 4) The number of licensed State Cooperative Banks and Central Cooperative Banks which stood at 24 and 222 respectively as on 31 March 2011 had increased to 32 and 348 respectively as on 31 March 2015.
